

EXECUTIVE SECRETARIAT Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI		✓		
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC		✓		
11	IG	✓			
12	Compt				
13	D/EEO				
14	D/Pers				
15	C/OEA				
16	C/PAD/OEA				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
20					
21					
22					

SUSPENSE

Date

Remarks:

Executive Secretary

10/13/82

Date

1037 (10-81)



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503



THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548

M-83-2

October 8, 1982

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Internal Control Systems

The recently enacted Federal Managers Financial Integrity Act imposes an important new responsibility on you as an agency head. The Act requires that you report annually to the President and the Congress on how well the internal management systems of your agency are working.

The Act places certain responsibilities on the General Accounting Office and the Office of Management and Budget for the development of standards and guidelines for agency internal control systems. It requires each agency to establish control systems to provide reasonable assurance that

- obligations and costs are in accordance with applicable law;
- funds, property, and other assets are safeguarded;
- revenues and expenditures are properly recorded and accounted for.

Circular A-123, "Internal Control Systems," issued October 30, 1981, sets forth similar requirements. Since a great deal of work has been done already in the agencies to implement Circular A-123, it is intended that any additional standards or guidelines developed under the authority of the Act will build upon those in the Circular.

OMB and GAO plan to work together very closely in implementing the Act and in assuring that the momentum already built up within the agencies for improved internal control is sustained. We believe the Act presents an opportunity for a partnership effort among OMB, GAO and the operating agencies to put Government financial practices on a sound, businesslike basis.

We also believe that effective internal control systems will provide a sound foundation for much-needed management reforms. We know we can expect your support in this effort.

Charles A. Bowsher
Comptroller General
of the United States

Joseph R. Wright, Jr.
Deputy Director
Office of Management and Budget

DCI
EXEC
REG

L289